



Foreign Agricultural Service

GAIN Report

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Turkey

Cotton and Products

Cotton outlook 2003/2004

2003

Approved by:

**Jim Higgiston, Agriculture Counselor
U.S. Embassy, Ankara**

Prepared by:

Ibrahim Sirtioglu, Agriculture Marketing Specialist

Report Highlights:

Industry sources indicate that planted area in Turkey for cotton will increase marginally in MY 2003. As a result, production is expected to remain relatively stable. Low cotton prices at the start of the season encouraged farmers to plant wheat. However, this should be offset by increased area in the southeast.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Ankara [TU1], TU

Executive Summary

The official cotton area and production estimates for MY 2003 have not yet been released by the National Cotton Advisory Board.. According to industry sources, cotton area and production are expected to only marginally increase in MY 2003 to 710,000 hectares and 915,000 MT. Planted area is expected to remain unchanged in the Aegean and Antalya regions with a small decrease in the Cukurova region. However, this is expected to be offset by an increase in the Southeast Anatolian-GAP- region.

Low cotton prices at the beginning of the season encouraged some farmers to plant wheat but the expected bonus payment and recent increases in domestic cotton prices is expected to convince some farmers to plant cotton as a second crop particularly in the Cukurova region. Cotton farmers in the Aegean and Antalya regions will be benefitting from excessive rains in recent months which helped reserve water levels in these regions to increase.

The government of Turkey has not announced any bonuses for seed cotton yet. Farmers' associations are demanding about 30 cents per kilogram which considering the budget situation and IMF commitments are unlikely. The bonus for seed cotton was seven cents per kilo last year and industry observers estimate the bonus will be closer to ten cents per kilogram for MY2002 crop.